

BILL ANALYSIS

C.S.H.B. 4230
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Tax Code contains numerous provisions that authorize or require relief if a party seeking relief shows good cause. However, the term "good cause" is not defined in the Tax Code. Currently, the absence of such a definition makes the person authorized to grant such relief unable to rely on a uniform statutory definition and allows variable interpretations as to what constitutes good cause. Also, the Tax Code differentiates between property owners with representation and those without representation. This distinction creates unequal rights for owners with representation.

C.S.H.B. 4230 specifies the process and time period for rescheduling a hearing before a property tax appraisal board on a protest by a property owner relating to the appraisal of the owner's property if an owner or the owner's agent is unable to attend a hearing for good cause. The bill defines "good cause."

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4230 amends the Tax Code to require the board of directors of a property tax appraisal district to reschedule, rather than postpone, to a later date a hearing on a protest by a property owner relating to the appraisal of the owner's property if, before the 90th day after the date originally scheduled for the hearing, the property owner or the owner's agent requests that the hearing be rescheduled and shows good cause, rather than reasonable cause, for the rescheduling or obtains the consent of the chief appraiser to the rescheduling. The bill extends the maximum amount of time that a hearing is authorized to be postponed or rescheduled unless agreed to by the chairman of the appraisal review board, rather than by the board, as well as the property owner and the chief appraiser from not more than 30 days to not more than 60 days after the date scheduled for the hearing at the time the postponement or rescheduling is sought. The bill establishes that an owner's agent is authorized to request a postponement or rescheduling in the same manner as an owner. The bill prohibits a hearing from being rescheduled if the rescheduling would cause undue delay to the appraisal review board. The bill defines "good cause," for purposes of rescheduling a hearing as described above, as a reason that includes an error or mistake that was not intentional or the result of conscious indifference.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 4230 differs from the original by including the definition of "good cause" in provisions relating to the rescheduling of an appraisal protest hearing, whereas the original includes the definition as a definition applicable to the entire Tax Code. The substitute defines "good cause" as a reason that includes an error or mistake that was not intentional or the result of conscious indifference, whereas the original defines "good cause" as a reason that includes, but is not limited to, an error or mistake that was neither intentional nor the result of conscious indifference and will not cause undue delay or other injury to the person or entity authorized to extend the deadline or grant a rescheduling. The substitute includes a provision prohibiting a hearing from being rescheduled if the rescheduling would cause undue delay to the appraisal review board, which is reflective of a component of the original's definition of "good cause."

C.S.H.B. 4230 differs from the original by requiring the consent of the chairman of the appraisal board, rather than the consent of the board, for a hearing to be postponed or rescheduled to a date more than 60 days after the date scheduled for the hearing.

C.S.H.B. 4230 adds a savings provision not included in the original and differs from the original in nonsubstantive ways by using language reflective of certain drafting conventions.